GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:1732
ANSWERED ON:09.12.2015
Corruption in PSU
Adsul Shri Anandrao ;Patil Shri Shivaji Adhalrao;Shrirang Shri Chandu Barne;Yadav Shri Dharmendra

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways is aware of the fact that mass scale corruption prevailed in the PSUs under the Railway Ministry and if so, the facts thereof;

(b) whether the Railways has instructed the PSUs under his Ministry to ensure transparency and best practices in the tendering and contract process and if so, the details thereof;

(c) whether the Ministry has also instructed the PSUs to make all out efforts to exceed their targets and hand over healthy dividend to the railways and to meet the capital expenditure target without fail;

(d) if so, the details thereof; and

(e) the steps taken by the Union Government to make PSUs profit-making institutions so as to get the maximum dividends from them?

Answer

MINISTR OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(a):&(b): Railway has robust systems to check, prevent and act against instances of possible corruption in the PSUs under Ministry of Railways. Chief Vigilance Officer of each PSU is assigned the task of Vigilance. As and when a case of corruption comes to the notice of the Management, the same is investigated as per the
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standing instructions of the Government/Central Vigilance Commission (CVC). There are standing instructions on ensuring transparency and best practices in the tendering and contract process. To ensure transparency, open tender are published on the official website of the respected PSUs and also on the Central Public Procurement web portal.

(c):to(e): Yes, Madam. PSUs under the administrative control of Ministry of Railways have to sign an MoU every year with the Ministry, wherein targets for various parameters like Sales Turnover, Profit after Tax, Gross Operating Margin, Capital Expenditure, Physical targets etc. are assigned to the PSU for the coming financial year. After the end of the financial year, the performance of the PSU is evaluated and accordingly grading assigned. This exercise is an endeavour to make the PSU a profit making institution and to give maximum possible dividend to the Government. PSUs were directed to exceed turnover, profitability and physical targets fixed in MoU 2015-16, as a step towards their further growth. Intensive review of the PSUs is held from time to time.

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